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DEPT FOR EAP, EAP/MTS, EAP/MLS, EAP/RSP, NEA/IPA, PM NSC FOR L.PHU

E.O. 12958: DECL: 07/02/2019

TAGS: PGOV MARR ID IS

SUBJECT: LEGISLATORS TRY TO BLOCK PURCHASE OF ISRAELI-MADE

UNMANNED AERIAL VEHICLES

Classified By: Pol/C Joseph L. Novak, reasons 1.4(b+d).

11. (C) SUMMARY: Some Indonesian legislators are moving to block the GOI's plan to purchase Israeli-manufactured unmanned aerial vehicles (UAV). The Indonesian Department of Defense claims that the UAVs are a cost effective way to provide surveillance of Indonesian waterways. Flagging concerns over Palestinian issues, parliamentarians retort that Indonesia should not support the Israeli defense industry. END SUMMARY.

ISRAELI DRONES

12. (C) The Indonesian Department of Defense (DEPHAN) seeks to purchase several Hermes 450 UAVs manufactured by Israel's Elbit Systems. The Indonesian military hopes to use the aircraft to conduct surveillance of key locations, particularly the country's vast archipelagic waterways. Parliamentary sources told us that DEPHAN had begun investigating a possible UAV purchase in 2006 and spent several years considering which aircraft to buy.

PARLIAMENT OBJECTS

- 13. (C) Some parliamentarians are moving to block the deal. Djoko Susilo, a member of Commission 1 responsible for foreign and defense matters, condemned the plan. He noted that Indonesia does not have diplomatic relations with Israel and that most Indonesians oppose Israeli policy toward the Palestinians. As a result, the GOI should not do anything that supported Israel's defense industry. Susilo told poloff that parliamentarians were particularly angry that DEPHAN planned to make the purchase through a company in the Philippines. This, he claimed, showed that the DEPHAN knew the matter would be controversial and wanted to hide it from the public.
- 14. (C) The GOI needs parliamentary approval to complete the purchase. The Indonesian legislature has already appropriated \$16 million for UAV purchases in this year's defense budget but must still authorize release of the funding. Susilo and other parliamentarians have vowed to block this. Commission 1 held a raucous but inconclusive debate on the issue--which received widespread media coverage--on June 29. Vice Chairman Yusron Ihza Mahendra told poloff that he did not expect legislators to make a decision on the matter anytime soon. As a result, the deal will likely remain on hold.

A REFLECTION OF GOI PRAGMATISM

15. (C) Parliamentary sources told us that senior DEPHAN

officials continue to lobby them in the hopes of getting the deal approved. They underscored that the Israeli UAVs are a particularly cost-effective way of meeting Indonesia's reconnaissance needs. DEPHAN hopes to push the deal through by the end of the current legislative session in October.

16. (C) The planned purchase reflects GOI pragmatism regarding relations with Israel. While the countries lack diplomatic ties, Indonesia maintains discrete contacts with Israel, chiefly through the Israeli embassy in Singapore. The GOI appears quite willing to work with Israel—when it is in Indonesia's interest to do so—despite the public controversy it can generate.

HUME